

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 187 AND 265
KOKOMO, INDIANA

January 1, 2003 to December 31, 2003



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman, Bureau of Motor Vehicles Commission	Mr. Gerald Coleman Ms. Mary DePrez	01-06-02 to 02-29-04 03-01-04 to 01-05-05
Branch Manager	Ms. Laurie McKellar	01-01-03 to 12-31-04



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Numbers 187 and 265 (Branch) for the period of January 1, 2003, to December 31, 2003. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2003, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

September 27, 2004

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 187 AND 265
 KOKOMO, INDIANA
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
 January 1, 2003 to December 31, 2003

	Branch Number 187	Branch Number 265	Totals (Memorandum Only)
Collections:			
Registrations	\$ 11,056,579	\$ 223,182	\$ 11,279,761
Titles	1,278,648	-	1,278,648
Drivers Licenses	337,597	-	337,597
Watercraft	179,411	-	179,411
Miscellaneous	1,210	-	1,210
	<u>12,853,445</u>	<u>223,182</u>	<u>13,076,627</u>
Totals	<u>\$ 12,853,445</u>	<u>\$ 223,182</u>	<u>\$ 13,076,627</u>
Distributions:			
State Fees	\$ 3,452,116	\$ 36,213	\$ 3,488,329
County Tax	8,362,295	172,426	8,534,721
Commission Fees	1,039,034	14,543	1,053,577
	<u>12,853,445</u>	<u>223,182</u>	<u>13,076,627</u>
Totals	<u>\$ 12,853,445</u>	<u>\$ 223,182</u>	<u>\$ 13,076,627</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 187 AND 265
KOKOMO, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles and drivers licenses are sold. Fees are uniform throughout the state. The following taxes are collected by the branches: excise tax, surtax, wheel tax, and use tax.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

Note 4. Self-Service Terminal

This report contains financial and statistical information for both Kokomo License Branch Number 187 and Kokomo Branch Number 265, a self-service terminal (SST). The manager of Kokomo License Branch Number 197 is responsible for maintaining the SST.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 187 AND 265
 KOKOMO, INDIANA
 STATISTICAL INFORMATION
 January 1, 2003 to December 31, 2003

<u>Transactions Processed</u>	<u>Branch Number 187</u>	<u>Branch Number 265</u>	<u>Totals (Memorandum Only)</u>
Vehicle Registrations:			
Passenger	49,360	1,139	50,499
Motorcycle	2,575	54	2,629
RV (Housecar)	1,130	22	1,152
Light Truck	17,796	370	18,166
Other Truck	658	3	661
Farm Truck	257	1	258
Tractor	131	-	131
Trailer	6,950	125	7,075
Semi-Trailer	297	-	297
School and Church Bus	131	-	131
Other Bus	12	-	12
Other	39	-	39
Total Vehicle Registrations	<u>79,336</u>	<u>1,714</u>	<u>81,050</u>
Drivers Licenses and Permits:			
Drivers Licenses/Learners Permits	15,079	-	15,079
CDL Licenses/CDL Permits	529	-	529
Placards	1,877	-	1,877
Other	9,557	-	9,557
Total Drivers Licenses and Permits	<u>27,042</u>	<u>-</u>	<u>27,042</u>
Titles:			
Vehicles	27,810	-	27,810
Watercraft	353	-	353
Total Titles	<u>28,163</u>	<u>-</u>	<u>28,163</u>
Total Watercraft Registrations	<u>3,049</u>	<u>-</u>	<u>3,049</u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 187 AND 265
KOKOMO, INDIANA
EXAMINATION RESULTS AND COMMENTS

ACCOUNTABLE ITEMS

The following schedule details missing items revealed during a comparison of actual inventory of accountable items to the Open Inventory Report of the State Bureau of Motor Vehicles at December 31, 2003. No evidence was found to indicate these items have been sold.

<u>Year</u>	<u>Plate Type</u>	<u>Plate Number</u>
2002	Farm Truck 48,000	3363J
2002	Passenger	34D25
2002	Truck 7,000	835233S
2006	Boy Scouts	BP5131 to BP 5140
2006	Special Recognition	HV8530
2006	Special Recognition	VF5788
2007	Disabled Motorcycle	262
2007	Passenger	34B4973
2007	Passenger	34G608
2007	Truck 7,000	434703L
2007	Truck 7,000	436023L
2007	Truck 7,000	436724L
2007	Truck 7,000	436725L

A listing of the items that are to be accounted for to the State Board of Accounts is included in the Branch Operations Policies and Procedures Manual. (Branch Operations Policies and Procedures Manual, Supplies and Equipment Chapter)

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 187 AND 265
KOKOMO, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on September 27, 2004, with Ms. Laurie McKellar, Branch Manager.